

PCR EVALUATION NOTE FOR PUBLIC SECTOR OPERATIONS

1. BASIC INFORMATION			
a. Basic project data			
Project title: POWER TRANSMISSION SYSTEM IMPROVEMENT PROJECT			
Project code: Missing	Instrument number(s): 2100150023752		
Project type: Project Operation	Sector: Energy and Power		
Country: KENYA	Environmental categorization (1-3) :1		
Processing Milestones	Key Events	Disbursement and Closing date	
Date approved: 12/16/2010	Cancelled amount: 3,051,612.72 UA	Original disbursement deadline: 30st June. 2015	
Date signed: 23th March 2011	Supplementary financing: n/a	Original closing date: 30st June. 2015	
Date of entry into force : 14th December 2011	Restructuring: N/A	Revised disbursement deadline: 30/4/2017	
Date effective for 1st disbursement: 14th MAY 2012	Extensions (specify dates): Extension 1: 31/5/2016 Extension 2: 30/4/2017	Revised closing date: 30/5/2017	
Date of actual 1st : 25th June 2012			
b. Financing sources			
Financing source/ instrument (MUA)	Approved amount (MUA) :	Disbursed amount (MUA) :	Percentage disbursed (%) :
Loan:	46.7	43.64	93.5
Grant:			
Government:	14.07	14.07	100
Other (ex. Co-financiers):			
TOTAL :	60.77	57.71	
Co-financiers and other external partners:			
Execution and implementation agencies:KETRACO			
c. Responsible Bank staff			
Position	At approval	At completion	
Regional Director	Ms. D. GAYE	Mr. Gabriel NEGATU	
Sector Director	Ms. H. CHEIKROUHOU	Mr. BALDEH, HENRY PAUL BATC	
Sector Manager	Mr. E. B. NZABANITA, OIC	Mr. HUMPHREY NDWIGA RICHARD	
Task Manager	Mr. E. B. NZABANITA	Mr. SOLOMON ABEBE ASFAW	
Alternate Task Manager			
PCR Team Leader		KAREKAHO KAMU	
PCR Team Members		JASON SEUNG-SOO JIN	

d. Report data		
PCR Date : 19th December 2017		
PCR Mission Date:	From: 4 th December 2017	To: 5th December 2017
PCR-EN Date: 22 December 2017		
Evaluator/consultant : Ananda Covindassamy	Peer Reviewer/Task Manager:	

2. PROJECT DESCRIPTION

Summary from Appraisal Report including addendum/corrigendum or loan agreement, and taking into account any modification that occurred during the implementation phase.

a. Rationale and expected impacts:

Provide a brief and precise description on the project/programme rationale (concerns/questions raised), expected impacts and the intended beneficiaries (directly or indirectly impacted by the project/programme). Highlight any change that occurred during the execution phase.

The rationale of the project was to support the Country Strategy Paper for Kenya (2008-2012) that seeks to support two strategic pillars; namely: (I) Infrastructure development for enhanced growth (II) Creation of employment opportunities for poverty reduction. Under pillar I, the country will, among others seek to address the problems of erratic electricity supply. The CSP is also in line with the country's long-term development strategy, Vision 2030, and its five-year Medium Term Plan (2008-2012), in which the expansion of electricity infrastructure is among the top priorities. The project is also consistent with the priorities of ADF – 11, which are focused on poverty reduction through growth driven by investment in three basic operational priorities: infrastructure, governance and regional integration. The development of physical infrastructure, in the Medium Term Plan (MTP) is seen as the basis for socio-economic transformation covering rural roads, water and sanitation, energy, and telecommunications. Under the MTP the focus for electricity sector is for the Government to complete a National Electricity Supply Master Plan, which will also incorporate the work of the Rural Electrification Authority. The GoK has translated its vision for the sector into the Energy Access Scale-Up Program, which is included in the CSP, with a target of 40% access by 2020; with an intermediate target to electrify one million new customers and extend electricity service to all priority loads in rural areas in the next five years.

Erratic power supply is reported as one of the most important impediments to growth by economic actors in Kenya. The broad objective of the energy policy in Kenya is to ensure adequate, reliable and cost-effective supply of energy to meet development needs, while protecting and conserving the environment. The GoK is committed to the development of the country's power infrastructure.

The linkage between the project and the CSP, the Vision 2030 and the Medium Term Plan is clear, as the expansion of the national transmission system is necessary to enable the development of power generation and of access to electricity, although transmission system expansion by itself is not sufficient to produce the expected outcome.

The project expected impacts were:

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- **Improved availability of reliable and sustainable electricity for economic and social development**
 - **High GDP growth rate maintained.**
Reduced poverty and improved living standards within and beyond the districts served resulting from the employment opportunities created (direct and indirect).

b. Objectives/Expected Outcomes:

Provide a clear and concise description of the project objectives, expected outcomes, and intended beneficiaries. In so doing, highlight any revision/amendment.

The project development objectives were:

- **to increase supply capacity through a reduction of system losses and**
- **providing alternative electricity paths to increase reliability and improve power quality in the Western and Eastern regions (PCN)**
- **to enhance socio economic development of Kenya by increasing availability and reliability of electricity (PAD).**

The project outcome were:

- **As an increased availability of reliable and affordable electricity to rural consumers (PAD) which will contribute to connecting 200,000 additional customers per annum, leading to an increase in rural electricity connectivity rate from 23% in 2009 to 40% by 2020**
- **Increased power supply in the Region (PCN)**
- **Reduction in technical losses (PCN)**

c. Outputs and intended beneficiaries:

Provide a clear and concise description the expected outputs and intended beneficiaries. In so doing, highlight any revision/amendment.

The project is located in the western, rift valley and eastern regions of the country.

The project consisted of construction, on a turnkey basis, of a total of 431 km of 132 kV lines, extension of six substation bays and construction of eight new 132/33 kV substations. The Project will also involve a sensitization campaign aimed at raising awareness of local communities through Information, Education and Communication (IEC) activities including issues of STI-HIV/AIDS, family planning, the environment and safety of persons and property in view of the electrical installations and a re-forestation program

The project lines pass through 7 counties with a total population of 6.7 million people. In all the project area is represented by 19 counties with a population of 15.5 million (of which 8.04 million are women). The direct beneficiaries of the project will be economic actors and the population connected to the national power grid into which the project will feed as well as people living along the line route who will be employed or provide services during construction. Increased availability of reliable and affordable electricity to rural consumers will foster an increase in economic activity (industrial, services, agricultural, commercial) and social wellbeing (households and social institutions) nationally.

d. Principal activities/Components:

Provide a clear and concise description of the principal activities/components. In so doing, highlight any revision/amendment.

The project components are:

- **Construction of 413 km of 132 kV transmission lines;**
- **Extension of 132 kV outgoing bays at Ishiara, Lessos, Nanyuki, Olkaria, Sotik and Mwingi and**

Construction of new 132/33 kV substations at Kieni, Kabarnet, Nyahururu, Narok, Bomet, Kitui, Wote and Sultan Hamud;

- Consultancy services for preparation of specification and bid documents, review of the contractor's design, and supervision of project construction activities and environmental management including the implementation of the resettlement and compensation action plan;
- Auditing services ; and
- Compensation of affected persons; Information, Education and Communication (IEC) activities; and Implementation of reforestation project.

Some changes were introduced during implementation, particularly, a section of an overhead transmission line had to be converted to underground at the request of the military authority. Several sections of the transmission lines are still under construction and their funding will have to be borne by the Government from its own resources, resulting in a concern concerning the quality of the work at completion and even, their completion, in case Government funding becomes unavailable.

3. PROJECT PERFORMANCE ASSESSMENT

RELEVANCE

a. Relevance of the project development objective:

Evaluation of the relevance ex-ante and ex-post (including during the implementation phase). The relevance of the project objective (during the evaluation ex-ante and the post-evaluation) in terms of alignment with country's development priorities and strategies, the beneficiary needs (including any changes that may have occurred during the implementation), applicable Bank sector strategies, the Bank country/ regional strategy, and general strategic priorities of the Bank. This criterion equally assesses the extent to which the project's development objective was clearly stated and focused on outcomes and the realism of the intended outcomes in the project setting.

The relevance of the project development objectives is rated Highly Satisfactory, as the project was aligned with GoK and Bank priorities for the power sector in Kenya. The relevance rating is the same as per the PCR.

The project development objectives are coherent with the Country Strategy Paper for Kenya (2008-2012) that seeks to support two strategic pillars; namely: (I) Infrastructure development for enhanced growth (II) Creation of employment opportunities for poverty reduction. Under pillar I, the country will, among others seek to address the problems of erratic electricity supply. The CSP is also in line with the country's long-term development strategy, Vision 2030, and its five-year Medium Term Plan (2008-2012), in which the expansion of electricity infrastructure is among the top priorities. The project is also consistent with the priorities of ADF – 11, which are focused on poverty reduction through growth driven by investment in three basic operational priorities: infrastructure, governance and regional integration.

b. Relevance of project design (from approval to completion):

The evaluator should provide an assessment of the relevance of the project design regardless of the one provided in the PCR. The evaluator will also comment on the PCR conclusion for this section, and will provide an evaluation of the relevance of the project design. The latter assesses the soundness and the timing of eventual adjustments, or technical solutions to ensure the achievement of the intended results (outcomes and outputs), the adequacy of the risk assessment, environmental and social protection measures, as well as the implementation arrangements. For Programme Based Operations (PBO), an assessment will be made on the relevance of the prior actions, the policy dialogue and the extent to which the operation could have been more pro-poor in its design.

The rating of the relevance of project design is only Satisfactory because of weaknesses in the project implementation arrangements. The rating of the PCR is Highly Satisfactory, as its rightly support the technical design, but also the implementation arrangements through the newly created KETRACO, arguing this arrangement “allows for a more responsive, efficient and timely development of the country's

power infrastructure.”. This view is questionable in light of the extensive implementation delay of the project attributable in part to a weak and inexperienced management by KETRACO.

The project design was sound overall, although the justification for the non-utilisation of less expensive concrete poles is not acceptable in the Kenyan context. The change in the design of one of the lines at the request of the military was not based on technical considerations, and does not impact the relevance of the project design.

The PCR states correctly that “The design optimized land use through compact designs thereby reducing on land take. In addition, the design incorporated the significant experience gained through financing projects in the region and the application of lessons learnt from the Bank’s past interventions in the Region, where similar projects have been implemented. The specific measures included precedent action to ensure adequate local counterpart funds through ensuring that that funds are put into an Escrow Account from which they will be drawn to compensate the affected persons; establishment of a Project Implementation Unit; technical assistance components including supervision consultant and technical audit services to support the project management capacity.”

The Republic of Kenya was the Borrower and the Ministry of Energy (MoE) the Executing Agency and beneficiary of the proposed loan. The Kenya Electricity Transmission Company (KETRACO) served as the Implementing Agency. KETRACO was created by the MoE in December 2008 and was established to finance and own on behalf of Government all new transmission assets in Kenya. The project was a turn-key operation implemented by KETRACO through a dedicated Project Implementation Team (PIT) that was set up comprising both KETRACO and KPLC staff in accordance with the provisions of the Mutual Co-operation and Provision of Technical Services Agreement between the two entities. Furthermore, the PIT was assisted by a consultant with experience in undertaking similar projects in the region. The design of the implementation arrangement relied in part on a newly created institution, KETRACO, which had little experience with project construction and management. Despite the cooperation agreement with KPLC and the TA support, the implementation arrangement was risky and contributed to the slow execution of the project.

EFFECTIVENESS

c. Effectiveness in delivering outputs:

Evaluation of the extent to which the project achieved its stated results (obtained from the logical framework) based on the last Implementation Progress and Results Report (IPR) and by considering accurate reporting of direct or indirect evidence on intended and unanticipated outputs. In the absence of sufficient data (as direct evidence), indirect evidence (such as project outcomes and other pertinent processes/elements of the causal chain) should be used particularly in the evaluation of the extent to which the project is expected to achieve its stated results/ objectives. The absence of sufficient data to assess the effectiveness should be indicated (and clearly detailed in the PCR quality evaluation section). The PCR score should equally be indicated in this section.

The effectiveness in delivering outputs is rated Unsatisfactory, as the project is not completed and incurring substantial delay and the financing is nearly fully completed, despite several project components not being completed. The PCR rating is rated Satisfactory on the basis that “Other than the poor performance by the line works Contractor, the rest of the outputs have been achieved”. This assessment is not warranted, as the lines are the core component of the project.

The project main outputs were the construction, on a turnkey basis, of six line segments for a total of 431 km of 132 kV lines, extension of six substation bays and construction of eight new 132/33 kV substations.

The line works construction has been delayed extensively; it was agreed that since the line has six sections, KETRACO should commission and take over each section that gets completed. Only 36% of the lines have

been completed.

The construction of 8 new 132/33 kV substations was completed in 2016; only 2 have been commissioned and handed over to KETRACO. The remaining 6 are awaiting the completion of the line works. This component is nevertheless complete.

The extension of 5 substations was completed in 2016; only 2 have been commissioned and handed over to KETRACO. The remaining 3 are awaiting the completion of the line works.

The last audit for 2017 was under preparation when the PCR was prepared. This component is 80% complete.

The compensation is not complete due to challenges related to land ownership. Only 600 PAP out of 2,904 have received compensation.

The planned reforestation program was not implemented and the HIV/Aids sensitization program was only restricted to the Project workers and was implemented by the Contractor.

95% of the project budget has been committed, but only 36% of the lines have been completed and commissioned and compensation of PAP is lagging.

Concern remains regarding the delivery of outputs, as, as of project closing date and preparation of the PCR, only 145 km of lines are completed, out of 412 km and two sub-stations out of five have not been tested.

d. Effectiveness in delivering outcomes:

Evaluation of the extent to which the project achieved its intended set of outcomes (including for Program Based Operations (PBOs) where complementary measures are necessary for their implementation, namely public awareness, policy dialogue and institutional arrangements for instance). The evaluator should make an assessment based on the results of the last project Implementation Progress and Results (IPR). The evaluator shall indicate the degree to which project outcomes (intended and unanticipated) as well as reasons for any eventual gap were discussed in the PCR.

Effectiveness in delivering outcomes was Unsatisfactory, as one of the key outcome indicators was not achieved and the other one was achieved but did not depend only on the implementation of the project. The PCR rating for effectiveness is Satisfactory, as it discards the issue of the non-achievement of the loss reduction outcome.

The project outcomes were

Outcome 1: Increased power supply in the Region: power supply increased from 233 MW to 391 MW hence the outcome was achieved 100%, although it did not depend exclusively on the project.

Outcome 2: Reduction in technical losses: Technical losses were to diminish from 16.3% to 12%. At PCR time, losses were 19% (an increase instead of a reduction). The gap is attributable to the unrealistic assessment of the potential for loss reduction, in a context of rapidly expanding network for access, a priority which was well known at the time of project appraisal.

The project did not fully deliver on the expected outcomes.

e. Project development outcome:

The ratings derived for outcomes and output are combined to assess the progress the project has made towards realizing its development objectives, based on the rating methodology recommended in the Staff Guidance Note on project completion reporting and rating (see IPR Guidance Note for further instruction on development objective rating).

The project rating concerning the achievement of project outcomes/DO is Unsatisfactory, as both delivery

of Outputs and Outcomes are Unsatisfactory. The PCR rating is Satisfactory based on the rating of Outputs and Outcomes in the PCR.

The project DO are

- to increase supply capacity through a reduction of system losses: this outcome was not achieved;
- providing alternative electricity paths to increase reliability and improve power quality in the Western and Eastern regions: partly achieved (this outputs was partly achieved as some lines not completed);
- to enhance socio economic development of Kenya by increasing availability and reliability of electricity: not possible to directly relate the project with improvements in availability and reliability country-wide.

As explained above, both project outcomes and outputs were only partly delivered and rated Unsatisfactory..

f. Beneficiaries:

Using evidence, the evaluator should provide an assessment of the relevance of the total number of beneficiaries by categories and disaggregated by sex.

The performance of the project regarding the beneficiaries is rated Satisfactory, as a large proportion of the targeted population did benefit from the project.

The expected beneficiaries are population within project area; population beyond project area and KETRACO and KPLC staff.

- From the population on the project area, 70% of the expected beneficiaries, of which 55% women, benefited from the project instead of 100%;
- From the population beyond project area, it is assumed that all persons newly connected to the grid (of which 52% women) is benefitting from the project;
- Ketraco and KPLC staff (of which 20% women) fully benefitted from training

However, it should be pointed out that (1) the listed beneficiaries will benefit from the project if and only if the complementary investment in distribution and generation are made, and (2) the assessment assumes the lines which were part of the project and are still under construction will be completed and tested satisfactorily.

Hence the performance of the project in terms of number of beneficiaries is rates only Satisfactory.

g. Unanticipated additional outcomes (positive or negative, not taken into consideration in the project logical framework):

This includes gender, climate change, as well as social and socio-economic- related issues. Provide an assessment of the extent to which intended or unanticipated additional and important outcomes have been taken into consideration by the PCR. The assessment should also look at the manner the PCR accounted for these outcomes.

The main unanticipated outcome is that the population of Kitui and Makueni Town will benefit from power generation of the Athi River Multi-purpose dam for water supply, power generation and irrigation, thanks to the construction of the Kitui – Wote transmission line.

The unanticipated outcomes are minor and do not impact the assessment of the performance of the project.

EFFICIENCY

h. Timeliness:

The timeliness of project implementation is based on a comparison between the planned and actual period of implementation from the date of effectiveness for first disbursement. For Programme Based Operations (PBOs), the timely release of the tranche(s) are assessed through this same criterion.

The Timeliness ratio is 0.6. Hence, the project rating in terms of timeliness is therefore **Highly Unsatisfactory**. The Satisfactory ratio of the PCR does not reflect the Timeliness ratio.

The implementation period for the transmission works of 72 months (and not completed) instead of 37 months exceeded the planned schedule mainly due to late start attributed to fulfilment of loan conditions, delays in wayleaves acquisition and ineffective project management. The status of execution is as below:

- Line works construction has been delayed extensively; it has been agreed that KETRACO should commission and take over each section at a time when it is completed, which is reasonable.
- Construction of 8 new 132/33 kV substations was completed in 2016; only 2 have been commissioned and handed over to KETRACO. The remaining are awaiting the completion of the line works.

The PCR suggests that because of the significant delay, the Bank decided close the project before the lines are completed and all lines and substations have been commissioned.

i. Resource use efficiency:

Provide and assessment of physical implementation (based on outputs delivered) against resources used (based on cumulative commitments) at completion for all contributors to the project (the Bank, Government, and others). This criterion would normally not apply to PBOs, as there is often no direct link between the outputs and the amount of contribution (in which case the rater would indicate N/A).

Despite the concern arising from putting the cost of completion of the project on GoK, as the cost of the project is below initial estimate, the project is rated **Satisfactory**, like in the PCR.

The project total cost at completion is the equivalent of UA 48.5 million, about 79.7% of the initial cost estimated at appraisal (about UA 60.77 million). Despite the resettlement and construction (transmission line) delay, the construction costs for transmissions and substations are competitive by the international standards, as a result of the competitive bidding process. In particular, the substation contractor (Lot. 3A and 3B) progressed well within the estimated budget. Among 6 sections of transmission lines, the 4 sections are still in progress with the status of over 95% procurement completed. There are still pending bills due to delay of transmission line construction and possible contractor claims, which will be covered by the GOK.

j. Cost-benefit analysis:

Provide an assessment of the timeliness of the development outputs, and the extent to which costs of the costs have been effective and have been provided in the most efficient manner. The PCR rating should be discussed. The evaluator should verify whether the benefits of the project (achieved or expected) exceed its actual costs. To achieve this, evidences will mainly be based on a comparison between Economic Rates of Return (ERR) calculated at appraisal, the mid-term review and completion. When commenting PCR ratings, the degree of utilization of valid sources for evidence justifying the rating assigned should be taken into consideration. The evaluator should ensure of the validity of assumptions and that the same model was used for the calculation of others ERRs. For PBOs for which this calculation model does not apply, an assessment could be done with regards to the contribution of policy reforms to economic growth. In the absence of sufficient evidence, an appropriate rating should be assigned.

The rating of the project in terms of economics is rated **Unsatisfactory** because of weaknesses in the methodology and omission of certain benefits. The Satisfactory PCR rating is based on a flawed mode of calculation which yields unrealistic results with an EIRR above 80% .

At the approval in 2010, the economic analysis was conducted by comparing the “with” and “without” project. The “without project” scenario assumed a higher cost of energy to end users. In the “with project” scenario, the analysis assumed lower energy costs as a result of the implementing the project. The economic benefits represented the costs saving that arose from implementing the project. There was no indication concerning the nature and mode of evaluation of the benefits. In fact, the economic and financial analysis in the PAD was very skimpy and did not allow the reader to conclude whether the project was based on sound economic and financial analyses. At the time of review of the project, the feasibility study was conducted, based on the various assumptions that were presented in the technical annexes.

The project has contributed significantly in addressing the reliable power supply challenges where it was implemented. PCR findings indicated that the main benefits of the project implementation have been identified as i) Support of electricity consumption growth (85MW to 154MW) in the project area, ii) Improvement in Kenya electricity total system losses, iii) Increase in reliability by reduction of interruption. The Long Run Marginal Cost (LRMC, around USc 21/kWh) has been used to estimate the cost of losses as it correctly reflects the Kenyan Government’s real cost in supplying the last or marginal unit of energy. The lower EIRR (B) is due to KES currency depreciation against the USD since 2013. Indirect benefits will accrue due to community/national benefits of a more reliable supply: such as avoidance of lost industrial production, enhancing wealth; increasing establishment of industry/commerce thanks to improved quality of supply; job creation. In addition, the project has supported expansion of rural connections of which a key benefit is replacement of existing energy technologies (wood, kerosene, diesel etc) with electrical substitutes. The economic and financial analysis in the PCR is equally skimpy and does not permit to evaluate the quality of the revised economic study, as it mentions only the reduction of losses as a benefit. There are indication the transmission project is claiming credit for the increase of consumption in the project areas, which is incorrect, as the increase in consumption is the result of investment in generation, in the project, and in distribution. There is therefore a concern concerning the quality of the initial and PCR economic analysis. This important area is insufficiently developed in the project documentation.

k. Implementation progress:

The assessment of the Implementation Progress (IP) on the PCR is derived from the updated IPR and takes into account the all applicable IP criteria assessed under the three categories : i) Compliance with covenants (project covenants, environmental and social safeguards and audit compliance), ii) project systems and procedures (procurement, financial management and monitoring and evaluation), and iii) project execution and financing (disbursement, budget commitments, counterpart funding and co-financing).

The overall implementation rating is an average of 2.81, which is equivalent to Unsatisfactory. The Satisfactory rating of the PCR is not warranted, as project implementation was and is still facing serious challenges and the project is still not complete, despite a two year extension of closing date.

All project covenants have been complied with, except timeliness of audits. There were a number of challenges during project implementation – notably, delayed project start-up due to the late fulfillment of loan conditions, substations design changes, and delayed in land acquisition, as well as delayed completion of transmission line construction. After approval of the project in December 2010, 1st disbursement was in June 2012. Due to significant delays in the implementation, project closing date was eventually extended until 2017.

Procurement was slow because of the inexperience and poor organization of the Project Implementation Team (PIT) and the lack of familiarity of KETRACO with project implementation. Procurement was nevertheless correctly executed following Bank procurement guidelines.

The transmission line construction is continuing to be much behind schedule. Transmission line construction delay has affected the overall completion of the project. Even though all substations

construction were completed, only 2 substations have been commissioned and handed over to KETRACO due to the delay. Currently, among 6 transmission lines sections, only 2 transmission lines (Sotik-Bomet and Isharia-Kieni) are energized to connect. This is mainly because of delay in handling resettlement.

The delay in implementation, combined with the closing of the project before completion, with the remaining completion risk justifies an Unsatisfactory rating.

SUSTAINABILITY

l. Financial sustainability:

Provide an assessment of the extent to which funding mechanisms and modalities (eg. Tariffs, user fees, maintenance fees, budgetary allocations, other stakeholder contributions, aid flows, etc.) have been put in place to ensure the continued flow of benefits after completion, with particular emphasis on financial sustainability. For PBOs, the assessment should focus on financial sustainability of reforms, as well as the Bank's policy dialogue to promote financial sustainability of the reforms.

As KETRACO is dependent upon GOK subsidies on capital investment and cannot operate sustainably based on its revenues, and therefore, manage the new transmission lines as needed, the sustainability of the project is rated Unsatisfactory. The Satisfactory rating in the PCR is predicated on the erroneous assumption that non-targeted Government subsidies to the power sector are desirable.

KETRACO receives an annual budget from GoK for the financing of new transmission assets; so loans raised from DFIs for the financing of new transmission infrastructure will be paid back out of GoK's central budget. This practice is clearly unsatisfactory, as it leads to a tariff below the cost of supply of electricity: the capital cost of transmission lines is not reflected in the tariff. The argument made in the PCR that this practice allows tariffs to be below costs, hence good for consumers is not correct, as it would ultimately justify any subsidy to the power sector and absorb scarce budgetary resources in the power sector, at the expenses of Government social activities such as health and education, which are underfunded, in part due to this practice.

At appraisal stage, the financial sustainability of the project was assessed and a Financial Internal Rate of Return (FIRR) of 19.9% was estimated. However there was no details how the calculation was conducted, as the analysis as presents in the appraisal report was insufficient. At PCR stage, the FIRR is 7.4 % due to the lower tariffs. KETRACO has received the Wheeling charge to cover only O&M cost from KPLC. The Wheeling charge is determined by the Energy Regulatory Commission (ERC) based on the asset. There is insufficient information to be able to conclude on the quality of the calculation of the FIRR in the PCR.

Neither the project appraisal report nor the PCR examine the financial sustainability of KETRACO, although it is essential in order to evaluate the financial sustainability of the project, as KETRACO is the institution in charge of the O&M of the lines and substations.

m. Institutional sustainability and strengthening of capacities:

Provide an assessment of the extent to which the project has contributed to the strengthening of institutional capacities – including for instance through the use of country systems – that will continue to facilitate the continued flow of benefits associated with the project. An appreciation should be made with regards to whether or not improved governance practices or improved skills, procedures, incentives, structures, or institutional mechanisms came into effect as a result of the operation. For PBOs, this should include an assessment on the contributions made to building the capacity to lead and manage the policy reform process; the extent to which the political economy of decision making was conducive to reform; the Government's commitment to reform; and how the design reinforced national ownership.

KETRACO, as an institution, is sustainable, although lacking experience in management and operation of transmission systems. The technical assistance provided by KPLC is helping fill the gap. The project

rating in this respect is Satisfactory because KERACO was still in a learning process. The PCR rating is also Satisfactory.

KETRACO was the executing Agency for the Project and has already entered into a management contract with KPLC for the implementation and operation of new transmission projects. KPLC, the largest utility in Eastern Africa, has a proven experience in the implementation of transmission projects. In addition, KPLC will be assisted by PB Power, a Consultant with experience in undertaking similar projects in the region.

To enhance sustainability, the Contract for contractors and consultant responsible for the construction of the transmission line included specific provisions to ensure the training of KPLC engineers.

n. Ownership and sustainability of partnerships:

Provide an assessment of whether the project has effectively involved relevant stakeholders, promoted a sense of ownership amongst the beneficiaries (both men and women) and put in place effective partnerships with relevant stakeholders (eg. local authorities, civil society organizations, private sector, donors) as required for the continued maintenance of the project outputs. For PBOs, the assessment should measure the extent to which the Government's capacity to conduct consultations during policy dialogue and the extent to which the Bank supported the Government in deepening the consultation processes.

The performance of the project in this respect is rated Satisfactory because the consultation process was extensive, but there is no specific provision to ensure sustainability of ownership. The PCR rating is equally Satisfactory because of the quality of the consultation process during project preparation and implementation.

All key partners were involved to varying degrees in the preparation and implementation of the Project; these included KETRACO, KPLC, Ministry of Energy and Mineral Development, PAPs.

The Design and implementation modalities benefited from public consultations conducted as part of the ESIA and RAP studies, which involved interviews with communities, stakeholders and PAPs. The project benefited from insights of various stakeholders during project preparation and design. Much of the consultations were conducted during the Environmental and Social Impact Assessment studies. Amongst the consulted were local administration (including local leaders); management of Kenya Civil Aviation Authority (KCAA), Kenya Forestry Services (KFS) and the Kenya Wildlife Services (KWS), Hell's Gate National Park, NGOs and other interested parties. Several public consultation meetings (barazas) were held with communities living along the routes. Key outcomes in terms of project design include: selection of line routes, incorporation of safety and health campaigns as well as a number of other measures included in the ESMP. Key outcomes in terms of project design include: selection of line route, use of underground cables for a section of the line, incorporation of safety and health campaigns as well as a number of other measures included in the ESMP.

However, the project did not include a provision for providing electricity to local communities to enhance their ownership of the project.

The experience gained by KETRACO staff will be harnessed in other transmission projects that will be implemented in future.

o. Environmental and social sustainability:

Provide an assessment of the objectivity of the PCR rating on the project's implementation of environmental and social mitigation/enhancement measures with regard to the Environmental and Social Management Plan (ESMP), the capacity of country institutions and systems, as well as the availability of funding to ensure the environmental and social sustainability of the operation.

This criterion would normally only apply to Environmental Category I and II projects.

The project's environmental and social dimensions were treated very thoroughly by the project team in KETRACO and the Bank, during preparation and implementation. However, no special measures were taken to ensure sustainability.. The project is therefore rated only Satisfactory in this respect, as per the PCR.

Full Environmental and Social Impact Assessment (ESIA) including an Environmental and Social Management Plan (ESMP) were prepared as below:

- Olkaria-Narok and Sotik-Bomet was covered under one – NEMA License issued in Dec 2010 and report compiled in Nov 2009;
- Ishiara-Kieni & Mwingi-Kitui-Wote-Sultan Hamud was captured under one report – Report submitted in April 2010 and License issued in Oct 2010;
- Lessos-Kabarnet and Nanyuki-Nyahururu was captured under 1 whose report was submitted in March 2010 and license issued in Sept. 2010.

The approved ESMP was used as a tool by KETRACO and the Supervision Consultant to monitor the Contractors' compliance, and generally these were well addressed and issues related to ESMP Compliance were discussed in the Monthly Progress and necessary corrective action taken.

4. PERFORMANCE OF STAKEHOLDERS

a. Bank performance:

(Preparation/approval, ensure of Quality at Entry (QAE) : quality of the supervision, completion) : Provide observations on the objectivity of the PCR ratings and feedback provided by the Borrower, and if necessary, re-assess the Bank's performance throughout the project cycle (design, implementation, completion) by focusing on evidence from the PCR in relation to 7 criteria defined in the PCR Guidance Note.

An Unsatisfactory rating, despite the supervision effort, is appropriate, because the Bank accepted a non-least cost technical solution. It did not assess correctly the capacity of KETRACO to manage and implement the project. The Highly Satisfactory rating of the project in the PCRA is unwarranted.

The Bank accepted in the project design a technical solution which was not least cost, namely, the use of concrete poles, although it is a well-tested technology. The reasons put forward in the Appraisal report are less than convincing. Overall the quality at entry was below satisfactory, with most of the analysis devoted to administrative considerations and safeguards, treated in a very conventional manner rather than in the context of the project. The appraisal documents treated extensively but in a formal rather than substantial manner, the safeguard aspects. But the substantive issues of technical design, economic analysis, financial analysis and sustainability, as well as implementation arrangements were treated very lightly in a few general sentences.

The Bank closely monitored the Project's progress through field supervision missions held twice a year, during which it provided practical and useful advice on many issues that were encountered during implementation. During these Missions that included site inspections and meetings, the Team always gave advice to the KETRACO PIT, the Contractor and Consultant on the Project on how they could address challenges and difficulties to the progress of the Works; and this helped in the achievement of the Project objectives. This was followed up with debriefing sessions held with GoK officials; these proceedings were co-signed in the respective Aide Memoires of the Missions. Overall the Bank showed good support throughout the Project implementation, but was not forceful enough in demanding changes and improvements when it appeared that implementation was slow and the PIT was less than fully effective.

A disturbing aspect is the closing of the project before full completion, leaving GOK to handle the commissioning of several lines and substation and covering the cost of completion of the project. There is no indication measures were taken to ensure that financing for the completion of the project is guaranteed; in addition, one can conclude that the consultants in charge of project supervision who play an important role at commissioning have demobilised.

Borrower performance:

Provide observations on the objectivity of the PCR ratings, and if necessary, re-assess the Borrower's performance throughout the project cycle (design, implementation, completion) by focusing on evidence from the PCR in relation to questions defined in the PCR Guidance Note.

The performance of the Government, through the Ministry of Energy and KETRACO as the implementing Agency has been Unsatisfactory in ensuring the timely project implementation. The Satisfactory rating in the PCR does not take into account the inefficiency of KETRACO in handling project implementation and the consequences of a completion delay of more than two years.

To a large extent, the Government met and complied with covenants, agreements and safeguards in line with the Bank's regulations. However, while the Loan Agreement was signed on March 23, 2011, it took another 9 months before entry into force on December 14, 2011 signifying the Government's compliance with conditions precedent to First Disbursement of the Loan which required GoK to open a counterpart project account and to deposit therein the initial amount of KES 964 million as the Borrower's counterpart fund to finance Compensation and resettlement of the PAPs took time to be met. Furthermore it took another 6 months before the First Disbursement was made on June 25, 2012.

During implementation, processing of payments to the Contractor and Consultant were late beyond the stipulated payment period, which adversely affect work progress and resulted in late payment interest penalties.

Aside from this, the project progress was well documented in monthly progress reports and Borrower's Quarterly Progress Reports including in addition to Audit Reports, which were submitted to the Bank, although with some delay.

c. Performance of other stakeholders:

Provide observations on the objectivity of the PCR ratings, and if necessary, re-assess the other shareholders' performance throughout the project cycle (design, implementation, completion) by focusing on evidence from the PCR in relation to relevant questions specific to each stakeholder (co-financiers, NGO, contractors and service providers).

Overall, the performance of the other stakeholders is rated Satisfactory. The PCR rating is also Satisfactory

Consultants: The quality of supervision consultant services was satisfactory as staff deployed was responsive to the emerging needs of the project and changed site conditions. However, the monitoring of compliance with the schedule was not well followed up as closely as required.

Contractors: The quality of the outputs was satisfactory for the substations; however the performance of the Contractor for line works was not satisfactory; this has resulted into substations being completed but cannot be commissioned before the line works are done.

5. SUMMARY OF OVERALL PROJECT PERFORMANCE

a. Overall assessment:

Provide a summary of the project/programme's overall performance based on the PCR 4 key components (Relevance, Effectiveness, Efficiency and Sustainability). Any difference with the PCR and the reasons that have resulted in them should be mentioned. For cases with insufficient evidence (from the PCR and other documents) available, the evaluator should assign a partly satisfactory rating (to be revised) until a post project performance evaluation (e.g. PPER, PER or PRA) is complete.

Despite a strong technical justification, the performance of the project is rated Unsatisfactory because of the delay and uncertainty in completion and failure to achieve one of the DO to reduce technical losses. The Satisfactory rating in the PCR reflects the strong technical justification of the project, but does not capture the significant execution problems.

Relevance: The project was highly relevant and well aligned with sector, government and Bank priorities of increasing access, improving the quality of supply and supplying reliable power to businesses.

Effectiveness: The effectiveness of the project was Satisfactory, as the technical solution proposed with the construction of selected transmission lines and sub stations was a correct choice to achieve the project development objectives in complement to investments in generation and transport.

Efficiency: The efficiency of the project was unsatisfactory as, although the project is likely to be completed slightly below budget, it has incurred significant delay and there remain a completion risk.

Sustainability: Sustainability is Unsatisfactory, because of the financing of KETRACO on subsidies, which leads to permanent subsidization of the sector and tariff below full cost recovery level.

b. Design, implementation and utilization of the M&E (appreciation of the evaluator):

Provide an assessment of planned and actual cost of the design, implementation and utilization of the M&E system. Design : To which extent the project M&E system was explicit, adequate and realistic to generate and analyse relevant data ; Implementation : To which extent relevant data was collected – Elements of M&E implementation and effectiveness in the PCR ; Utilization : degree of utilization of data generated for decision-making and resource allocation – elements of M&E utilization in the PCR.

The design and utilization of the M&E system was Satisfactory. It permitted KETRACO to issue comprehensive progress reports. However, it did not lead to effective corrective measures when implementation problems became evident. The PCR rating is also Satisfactory.

The M&E system was designed as part of the project supervision mechanism. It functioned well and provided the information needed for the timely presentation of monthly progress report and other reports. It allowed the proper audit of the project account.

6. EVALUATION OF KEY LESSONS LEARNED AND RECOMMENDATIONS

a. Lessons learned:

Provide a brief description of any agreement/disagreement with all or part of the lessons learned from the PCR after analysis of the project performance with regards to each of the key components of the evaluation (Relevance, Effectiveness, Efficiency, and Sustainability). List the PCR main new and/or reformulated pertinent (and generic) lessons learned for each of these components here. It is recommended that no more than five lessons learned are discussed. Key questions and targeted audience must also be specified for each lesson learned.

The lessons offered by the PCR are:

- “The design changes introduced during implementation resulted in additional costs amounting to USD 215,652.14 and KES 40,371,579.10 with a time extension of 8 months.” The lesson is that in the future KETRACO should subject project designs to technical audit by Independent Consultants before procurement, in order to allow for rectification of any deficiencies in the design and tender documentation and avoid amendments during project implementation.
 - “Delayed payment of IPCs results into unnecessary additional costs due to penalty interest and extensions of time for completion.” The lesson is that payment procedures need to be carefully designed and tested before implementation commences in order to cut down on delays.
 - The absence of land ownership certificated by KETRACO before commencement of the project
-

caused considerable delays and complication in compensation. The Bank should be able to verify ownership of the transmission corridors and substation site prior to project appraisal.

- In the project implementation design, KETRACO was to draw support from KPLC; this proved to be insufficient, because of lack of commitment to the project. Joint implementation responsibility should be avoided.

The lesson drawn from the project design and implementation are valid.

b. Recommendations:

Provide a brief description of any agreement/ disagreement with all or part of the recommendations from the PCR. List the PCR main new and/or reformulated recommendations (requiring more actions by the Borrower and/or the Bank) here.

The recommendations included in the PCR are:

- Wayleaves acquisition poses a real threat to infrastructure development and the Government has to take decision that may include establishment of special courts to expeditiously deal with land issues. In the short term, local leadership should be fully utilized during the RAP and land acquisition process.
- While KETRACO served as Special Purpose Vehicle for implementing transmission projects, KPLC will be responsible for the operation and maintenance and already an OMA contract is in place. A provision should be made in these Projects to include capacity building for both institutions; most especially Project Management for KETRACO.
- The design changes introduced during implementation resulted in additional works amounting to USD 215,652.14 and KES 40,371,579.10 with a time extension of 8 months. It is recommended that in future KETRACO should subject project designs to technical audit by Independent Consultants before procurement of works, in order to allow for rectification of any deficiencies in the design and tender documentation and avoid amendments during project implementation with associated cost /time overruns leading to skewed results of the anticipated economic viability of projects.
- As part of the feasibility study, bid documents should be prepared so as to cut down the start up time of Projects; and the Bank should ensure that there are in place before appraisal.

The recommendations are valid but the Bank may want to explore further the root of the problems hinted in recommendations 3 and 4, which point to weaknesses in Bank procedures and skill mix.

7. COMMENTS ON PCR QUALITY AND TIMELINESS

The overall PCR rating is based on all or part of the criteria presented in the annexe and other: The quality of the PCR is rated as highly satisfactory (4), satisfactory (3), unsatisfactory (2), and highly unsatisfactory (1). The timeliness of the PCR is rated as on time (4) or late (1). The participation of the Borrower, co-financier, and the bank's external office(s) are rated as follows: Very Good (4), Good (3), Fair (2), Poor (1).

The PCR is Satisfactory, although it does not elaborate on some issues it correctly identified, but failed to understand in their full implications, such as the run-away implementation delay, the withdrawal of the Bank from the project before full completion, the sustainability of KETRACO depending on GoK subsidies. Like the Appraisal Report, it is weak in economic and financial analysis which seems to hint at a systemic issue in the Bank. In general, the PCR tends to be willing to side with the Borrower (supporting less than least cost solutions), and to be possibly too lenient on Bank and Borrower's shortcomings. The PCR, on the other hand, makes a special effort to present in detail the history and performance of the project.

8. SUMMARY OF THE EVALUATION

This is a summary of both the PCR and IDEV ratings with justification for deviations/comments. Appropriate section of the PCR Evaluation should be indicated in the last column in order to avoid detailed comments. The evaluator must provide a reasonable explanation for each criterion the PCR rating is not validated by IDEV. Consequently, the overall rating of the project could be “equally satisfactory”.

Criteria	PCR	PCREN	Reason for disagreement/ Comments
RELEVANCE	4	4	
Relevance of project development objective	4	4	
Relevance of project design	4	4	
EFFECTIVENESS	3	2	Effectiveness is rate Unsatisfactory, as the project has not delivered all outputs and outcomes.
Development objective (DO)	3	2	The Outputs were not fully delivered at PCR time and Outcomes did not fully materialize.
EFFICIENCY	3	2	Project timeliness remains a problem and project completion risk remains, as all lines have not been completed
Timeliness	3	1	ratio<75%
Resource use efficiency	3	3	The resources were used efficiency cost-wise, but the closing of the project before completion was a serious problem with a risk of non-completion.
Cost-benefit analysis	3	2	The depth and methodology of the cost-benefit analysis are not satisfactory
Implementation progress (IP)	3	2	Project implementation is very late and still incomplete.
SUSTAINABILITY	3	3	
Financial sustainability	3	2	The practice to finance transmission from budgetary resources is not satisfactory, putting stress on the scarce Government resources and leading to under-estimating the cost of electricity
Institutional sustainability and strengthening of capacities	3	3	
Environmental and social sustainability	3	3	
OVERALL PROJECT COMPLETION	3	2	The considerable delay in execution (project not completed despite a two-year extension)

RATING			and the weak performance of the Beneficiary warrant an Unsatisfactory rating
Bank performance:	4	2	The Bank performance was not fully satisfactory because of less than satisfactory quality at entry (weak technical, economic and financial analyses), and the loan was closed before completion, with a risk of non-completion or further delay of completion.
Borrower performance:	3	2	
Performance of other shareholders:	3	3	
Overall PCR quality:		3	

9. PRIORITY FOR FUTURE EVALUATIVE WORK: PROJECT FOR PERFORMANCE EVALUATION REPORT, IMPACT EVALUATION, COUNTRY/SECTOR REVIEWS OR THEMATIC EVALUATION STUDIES:

- Project is part of a series and suitable for cluster evaluation
- Project is a success story
- High priority for impact evaluation
- Performance evaluation is required to sector/country review
- High priority for thematic or special evaluation studies (Country)
- PPER is required because of incomplete validation rating

Major areas of focus for future evaluation work:

- a) Performance evaluation is required for sector/ country review
- b) Cluster evaluation (institutional support)
- c) Sector evaluation (budgetary support or public finance management reforms)

Follow up action by IDEV:

Identify same cluster or sector operations; organize appropriate work or consultation mission to facilitate a), b) and/or c).

Division Manager clearance

Director signing off

Data source for validation:

- Task Manager/ Responsible bank staff interviewed/contacted (in person, by telephone or email)
- Documents/ Database reports

Attachment:

- PCR evaluation note validation sheet of performance ratings
- List of references

PROJECT COMPLETION REPORT EVALUATION NOTE

Validation of PCR performance ratings

PCR rating scale:

Score	Description
4	Very Good – Fully achieved with no shortcomings
3	Good – Mostly achieved despite a few shortcomings
2	Fair – Partially achieved. Shortcomings and achievements are roughly balanced
1	Poor – very limited achievement with extensive shortcomings
UTS	Unable to score/rate
NA	Non Applicable

Criteria	Sub-criteria	PCR work score	IDEV review	Reasons for deviation/comments
RELEVANCE	Relevance of the project development objective (DO) during implementation	4	4	
	Relevance of project design (from approval to completion)	4	4	
OVERALL RELEVANCE SCORE		4	4	
EFFECTIVENESS*	Effectiveness in delivering outcomes.			
	Outcome1 Increased power supply in the Region: power supply increased from 233 MW to 391 MW		4	
	Outcome2 Reduction in technical losses		2	Technical losses increased
	Effectiveness in delivering output			
	Output1 six line segments for a total of 431 km of 132 kV lines,		2	Only 36% of the lines have been completed to date
	Output2. construction of 8 new 132/33 kV substations		3	Construction completed but several are not tested and commissioned
	Output 3 extension of 5 substations		3	Five completed but only two commissioned
	Output 4 audits		4	

Criteria	Sub-criteria	PCR work score	IDEV review	Reasons for deviation/comments
Development objective (DO)				
	Development objective rating	3	2	The Outputs were not fully delivered at PCR time and one of the Outcomes did not materialize.
Beneficiaries				
	Beneficiary1 Population within the Project area		3	Realized 70%
	Beneficiary2 Population beyond project area		4	Realized 100%
	Beneficiary3 KETRACO and KPLC staff		4	Realized 100%
Unanticipated outcomes (positive or negative not considered in the project logical framework) and their level of impact on the project (high, moderate, low)				
	Institutional development			
	Gender			
	Environment & climate change			
	Poverty reduction	Implicitly 4?	4	The Athi River Multi-purpose dam near Kitui and Makueni Town for water supply, power generation and irrigation will now greatly benefit from the Kitui – Wote transmission line.
	Private sector development			
	Regional integration			
	Other (specify)			
EFFECTIVENESS OVERALL SCORE		3	2	Effectiveness is rate Unsatisfactory, as the project has not delivered all outputs and outcomes.
EFFICIENCY	Timeliness (based on the initial closing date)	3	2	Ratio = 0,61 (time from effectiveness to closing at appraisal/time at PCR).
	Resource used efficiency	3	3	The resources were used efficiency cost-wise, but the closing of the project before completion was a serious problem with a risk of non-completion.
	Cost-benefit analysis	3	2	The depth and methodology of the cost-benefit analysis are not satisfactory
	Implementation progress (from the IPR)	3	2	Project implementation is very late and still incomplete.
	Other (specify)			
OVERALL EFFICIENCY SCORE		3	2	Project timeliness remains a problem and project completion risk remains, as all lines have not been completed
SUSTAINABILITY	Financial sustainability	3	2	The practice to finance transmission from budgetary resources is not satisfactory, putting stress on the scarce Government resources and leading to underpricing the supply of electricity

Criteria	Sub-criteria	PCR work score	IDEV review	Reasons for deviation/comments
	Institutional sustainability and strengthening of capacities	3	3	
	Ownership and sustainability of partnerships		3	
	Environmental and social sustainability	3	3	
<p>*The rating of the effectiveness component is obtained from the development objective (DO) rating in the latest IPR of the project (see Guidance Note on the IPR). The ratings for outputs and outcomes are determined based on the project's progress towards realizing its targets, and the overall development objective of the project (DO) is obtained by combining the ratings obtained for outputs and outcomes following the method defined in the IPR Guidance Note. The following method is applied: Highly satisfactory (4), Satisfactory (3), Unsatisfactory (2) and Highly unsatisfactory (1).</p>				

Criteria	Sub-criteria	PCR Work score	IDEV review	Reasons for deviation/comments
BANK PERFORMANCE	Proactive identification and resolution of problems at different stage of the project cycle		3	
	Use of previous lessons learned from previous operations during design and implementation		2	Implementation arrangements between KETRACO and KPLC did not reflect best practices
	Promotion of stakeholder participation to strengthen ownership		2	Ineffective management of the project was noted by the Bank but did not lead to strong corrective measures to strengthen ownership.
	Enforcement of safeguard and fiduciary requirements		3	
	Design and implementation of Monitoring & Evaluation system		3	
	Quality of Bank supervision (mix of skills in supervisory teams, etc)		2	
	Timeliness of responses to requests		3	
OVERALL BANK PERFORMANCE SCORE		4	2	The Bank performance was not fully satisfactory because of less than satisfactory quality at entry (weak technical, economic and financial analyses), and the loan was closed before completion, with a risk of non-completion or further delay of completion.
BORROWER PERFORMANCE	Quality of preparation and implementation		2	Project design had to be revised after commencement and during execution
	Compliance with covenants, agreements and safeguards		3	
	Provision of timely counterpart funding		3	

	Responsiveness to supervision recommendations		2	Bank concerns with implementation and management problems did not lead to changes
	Measures taken to establish basis for project sustainability		3	
	Timeliness of preparing requests		2	Preparation of requests was slow and led to additional costs and delays
OVERALL BORROWER PERFORMANCE SCORE		3	2	The design of the project was not least cost, not well prepared (requiring later adjustments), management of the project was weak and little action was taken following bank concerns with slow implementation
PERFORMANCE OF OTHER STAKEHOLDERS	Timeliness of disbursements by co-financiers		3	
	Functioning of collaborative agreements		3	
	Quality of policy dialogue with co-financiers (for PBOs only)			
	Quality of work by service providers		3	
	Responsiveness to client demands			
OVERALL PERFORMANCE OF OTHER STAKEHOLDERS		3	3	
The overall rating is given: Very Good, Good, Fair and Poor.				
(i) Very Good (HS) : 4 (ii) Good (H) : 3 (iii) Fair (US) : 2 (iv) Poor (HUS): 1				

DESIGN, IMPLEMENTATION AND UTILIZATION OF MONITORING AND EVALUATION (M&E)

Criteria	Sub-criteria	IDEV Score	Comments
M&E DESIGN	M&E system is in place, clear, appropriate and realistic	3	
	Monitoring indicators and monitoring plan were duly approved	3	
	Existence of disaggregated gender indicator		
	Baseline data were available or collected during the design	3	
	Other, specify		
OVERALL M&E DESIGN SCORE		3	M&E system provided data of acceptable quality on time
M&E IMPLEMENTATION	The M&E function is adequately equipped and staffed	3	

Criteria	Sub-criteria	IDEV Score	Comments
OVERALL M&E IMPLEMENTATION SCORE		3	
M&E UTILIZATION	The borrower used the tracking information for decision	3	
OVERALL M&E UTILIZATION SCORE		3	
OVERALL M&E PERFORMANCE SCORE		3	

PCR QUALITY EVALUATION

Criteria	PCR-EVN (1-4)	Comments
QUALITY OF PCR		
1. Extent of quality and completeness of the PCR evidence and analysis to substantiate the ratings of the various sections	3	Several Ratings were optimistic and did not sufficiently take into account the large delay in implementation and poor project management
2. Extent of objectivity of PCR assessment score	3	Slightly too lenient on Bank and Borrower
3. Extent of internal consistency of PCR assessment ratings; inaccuracies; inconsistencies; (in various sections; between text and ratings; consistency of overall rating with individual component ratings)	4	
4. Extent of identification and assessment of key factors (internal and exogenous) and unintended effects (positive or negative) affecting design and	3	

implementation		
5. Adequacy of treatment of safeguards, fiduciary issues, and alignment and harmonization	3	Too much on these topics at the expenses of the substance, execution and sustainability of the project
6. Extent of soundness of data generating and analysis process (including rates of returns) in support of PCR assessment	2	Data are sound, but economic and financial analyses are very weak and not sufficiently explained to be convincing.
7. Overall adequacy of the accessible evidence (from PCR including annexure and other data provided)	3	
8. Extent to which lessons learned (and recommendations) are clear and based on the PCR assessment (evidence & analysis)	4	
9. Extent of overall clarity and completeness of the PCR	3	
Other (specify)		
PCR QUALITY SCORE	3	
PCR compliance with guidelines (PCR/OM ; IDEV)		
1. PCR Timeliness (On time = 4; Late= 1)	4	
2. Extent of participation of borrower, Co-financiers & field offices in PCR preparation	3	
3. Other aspect(s) (specify)		
PCR COMPLIANCE SCORE	3	
*** rated as Very Good (4), or Good (3), or Fair (2), or Poor (1)		

References

EN_PR10787.

KENYA -Power Transmission System Improvement Project.

CR - Transmission Syatems Improvement Project 22122017.

PCR - Transmission Syatems Improvement Project 22122017_FR.